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Wendy B. Cartledge, Esquire
Office of Regulatory Staff
P.O.Box 11263
Columbia, S.C. 29211

APR 02 2007

PSC SC
DOCKETING DEPT.

IN REF: DOCKET NO. 2007-40-S. Application of Shoals Sewer Company, Inc. for transfer to Jay Salley and Bonnie Santos.

Answer to Office of Regulatory Staff's Second Data Request

Dear Ms. Cartledge:

Again, I am sorry for the delay in responding to your second data request, but I just got back yesterday from my hospitals in Greenville and Chapel Hill for more heart/lung/cancer related problems.

The information you requested in 2.1 is what is already on file in the annual report schedules already submitted since the 80's and has not changed. I am in still in North Carolina now and do not have access to that information and even if I did, would be difficult to transpose to letter form the information you requested.... best to use what is in the annual reports... however, I will include it below in a different form.

The real property of the Shoals Sewer Company, Inc. consist of a "Clow" packaged waste treatment plant located on 0.23 acres on Harbor Drive in the Shoals Subdivision in Anderson County, along with 5,680 feet of 8" collection lines, 300 feet of 2" forced main collection lines 1,800 feet of 6" outfall discharge lined, 30 manholes, one remote lift station, along with various rakes, shovels, nets, pumps, etc. used in operation of the plant.

In Answer to your Second Data Request:

2.1-1 The system was placed into service in 1974.

2.1-2 The original name at that time was Shoals Recreation Association Sewer.

2.1-3 The original cost was \$360,000, not including land.

2.1-4 Located in the Shoals Subdivision on Harbor Drive in Anderson County.

2.1-5 The package plant probably has a service life of 40-50 years and replacement cost of \$350,000. The collection and outfall lines and manholes could have a service life of 60-70 years and a replacement cost of \$270,000. The remote lift station should have a service life of 50 years and a replacement cost of \$15,000.

2.1-6 The recorded accumulative depreciation for the Shoals Sewer Company is \$360,000 total , as shown in the Annual Report depreciation schedule.

2.2 I do not know what "book" value means in this context, but the sales price is less than replacement cost.

2.3 I do not know the purchasers intentions.

Sincerely,

March 29, 2007

D. Fred Allen, President
Shoals Sewer Company, Inc.
99 Harbor Drive
Anderson, S. C. 29625
(910) 382-1295